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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/679,813	10/05/2000	Steven A. Lapierre	052144-5001	8794

9629 7590 04/17/2003

MORGAN LEWIS & BOCKIUS LLP  
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EXAMINER

SNAPP, SANDRA S

ART UNIT PAPER NUMBER

3624

DATE MAILED: 04/17/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Applicati n N .

09/679,813

Examiner

Sandra Snapp

Applicant(s)

LAPIERRE, STEVEN A.

Art Unit

3624

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 16 January 2001.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-19 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-19 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 05 October 2000 is/are: a) ☐ accepted or b) ☒ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on \_\_\_\_\_ is: a) ☐ approved b) ☐ disapproved by the Examiner.
- If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

**Priority under 35 U.S.C. §§ 119 and 120**

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

**Attachment(s)**

- |                                                                                              |                                                                             |
|----------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)                  | 4) <input type="checkbox"/> Interview Summary (PTO-413) Paper No(s). _____  |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)         | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449) Paper No(s) _____ | 6) <input type="checkbox"/> Other: _____                                    |

## **DETAILED ACTION**

### ***Drawings***

Color photographs and color drawings are acceptable only for examination purposes unless a petition filed under 37 CFR 1.84(a)(2) is granted permitting their use as acceptable drawings. In the event that applicant wishes to use the drawings currently on file as acceptable drawings, a petition must be filed for acceptance of the color photographs or color drawings as acceptable drawings. Any such petition must be accompanied by the appropriate fee set forth in 37 CFR 1.17(h), three sets of color drawings or color photographs, as appropriate, and an amendment to the first paragraph of the brief description of the drawings section of the specification which states:

The patent or application file contains at least one drawing executed in color. Copies of this patent or patent application publication with color drawing(s) will be provided by the U.S. Patent and Trademark Office upon request and payment of the necessary fee.

Color photographs will be accepted if the conditions for accepting color drawings have been satisfied.

### ***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-11 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. The claims are not associated with any specific technology. The “claimed invention is directed merely to human making mental computations, and . . . thus is

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nothing more than abstract idea which is not tied to any technological art and is not a useful art as contemplated by the Constitution.” Ex parte Bowman, 61 USPQ2d 1669, 1671 (Bd. Pat. App. & Inter. 2001)(Unpublished). The Examiner suggests incorporating some claim language directed to a computer into the claims to overcome this rejection.

***Claim Rejections - 35 USC § 112***

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claims 1-19 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claim 1 is indefinite because it is unclear if the trading strategies (plural) of line 5 is the same as the trading strategy (singular) of lines 7 and 9. If they are the same, the same language should be used consistently throughout the entire set of claims. This same issue is present in claims 5-11. Also, the Examiner does not know what is meant by the phrase “atomic execution.” Does the Applicant mean “automatic execution?” This same issue is present in claims 11 & 12 as well.

Claim 3 is indefinite because it is unclear whether “a virtual market” is included in the previously recited “virtual markets of claim 1 or a new, different market? Clarification is required. The claim is also indefinite because it is not understood what is meant by the phrase “conventional market.” Such a phrase does not clearly define the scope of the claim.

In claim 11, the phrase “is guaranteed includes the step” is confusing. The Examiner suggests the phrase “ is guaranteed *and* includes the step.”

Claims 12- 19 are indefinite because they recite a system. It is unclear from the term “system” and the remaining claim language whether the Applicant is claiming an apparatus or a method. Clarification is required.

Claim 15 is indefinite because it is unclear if “a virtual market” is one of the previously recited virtual markets (plural) or a new, different one.

### ***Claim Rejections - 35 USC § 102***

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

Claims 1-19 are rejected under 35 U.S.C. 102(b) as being anticipated by the Lupien et al. patent (US 5,950,177). The Lupien patent discloses a method for online trading comprised of the steps of defining attributes and behaviors, placing buy and sell orders, defining trading strategies, calculating a price and amount, generating orders, and matching and executing the orders (col. 9, lines 7-67); the attributes and behaviors include asset types, payment dates and payment factors (col. 5, lines 50-67 and col. 6, lines 1-33) and they replicate those of a conventional market (col. 3, lines 38-46); the step of placing buy sell orders include specifying a total size, a minimum size, a portion of a total size, an indication of which market the order is for and the price of the order (col. 5, lines 50-67 and col. 6, lines 1-33); defining a trading strategy includes specifying a

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type of trading strategy (col. 5, lines 60-67, col. 6, lines 1-3, col. 2, lines 53-67 and col. 3, lines 1-37); the type of trading strategy includes arbitrage, basket and hedge (col. 3, lines 12-15 and col. 4, lines 32-45); the step of defining trading strategies includes defining which virtual markets are in the trading strategy (col. 2, lines 47-67 and col. 3, lines 1-11); the step of defining the trading strategy includes defining formulae to calculate a price and amount (col. 3, lines 16-36); the step of calculating includes identifying a best counterorder for each buy or sell order (col. 3, lines 16-36); the step of defining the trading strategy includes automatically generating new orders (col. 2, lines 47-52); and the step of matching and executing the orders includes automatically modifying orders on behalf of the trading strategies (col. 3, lines 24-46).

### ***Conclusion***

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. The Lupien et al. patents, Harris et al., Garber, Woolston, Togher et al., Harrington, Kirsch, and Sirbu et al. patents disclose various online trading systems similar to the presently claimed one.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Sandra Snapp whose telephone number is 703-305-6940. The examiner can normally be reached on Mon.-Thurs..

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on 703-308-1065. The fax phone numbers for the organization where this application or proceeding is assigned are 703-305-7687 for regular communications and 703-305-7687 for After Final communications.

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Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.

ss

April 17, 2003



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# Fax Cover Sheet

**Date:** 17 Apr 2003

<b>To:</b> Bernadette Robertson	<b>From:</b> Sandra Snapp
<b>Application/Control Number:</b> 09/679,813	<b>Art Unit:</b> 3624
<b>Fax No.:</b> 202-739-3001	<b>Phone No.:</b> 703-305-6940
<b>Voice No.:</b> 202-739-5483	<b>Return Fax No.:</b> 703-305-7687
<b>Re:</b> copy of office action mailed in March	<b>CC:</b>
<input type="checkbox"/> <b>Urgent</b> <input type="checkbox"/> <b>For Review</b> <input type="checkbox"/> <b>For Comment</b> <input type="checkbox"/> <b>For Reply</b> <input checked="" type="checkbox"/> <b>Per Your Request</b>	

**Comments:**

Bernadette,  
I am currently unable to get the actual file, but will put a request in for it and re-mail the office action when the file is made available. In the meantime, here is a copy of the office action for your information.

Sandra

**Number of pages** \_\_ **including this page**

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